

## **PIMA COUNTY LOCAL WORKFORCE INVESTMENT AREA**

### **Geography**

While Tucson and Pima County, en masse, tends to be lumped in with Phoenix as a major metropolitan area, the differences between the areas are quite striking. Just as economists propound the benefits of "specialization of labor" by economic participants, job counselors and economic development specialists would do well in promoting this "specialization of locales" philosophy for Pima County.

Many characteristics set Pima County apart. Fortunately, most of these characteristics are projecting positive signals for Pima County. The first "specialization" attribute centers on that old phraseology in real estate-- "location, location, location". Because of the proximity to Mexico, the strength of Pima County's economy is somewhat dependent on the fate of this neighboring country. The prospects in the coming years bode well for Mexico.

### **Population**

According to the most recent official population figures, produced by the US Census Bureau, 2000 data shows 843,746 people reside in Pima County. This resident population accounts for 16 percent of the state of Arizona's total population. In the ten years since the 1990 census, Pima County's population grew by 26.5 percent, or roughly 2.4 percent annually compared to the state as a whole which grew over 40 percent for the decade. Tucson accounts for 57 percent of Pima County population. Growth in Tucson in the decade of the 90's has only been 20 percent. Marana on the other hand has seen growth since 1990 of 519.8 percent. Population in this city has grown from 2,321 in 1990 to 13,556 for the Census 2000. Oro Valley has likewise seen explosive growth for the 90's (345 percent). The population in this Oro Valley has grown from 6,670 in 1990 to 29,700 according to the 2000 Census.

### **Income**

According to data from the Bureau of Economic Analysis from 1990 to 1999, local total personal income in Pima County increased 77 percent compared to the State's nearly 90 percent. However, on a per capita basis, the gain of 47.3 percent slightly greater than the State's growth of 46.3 percent. Pima County per capita income was \$23,911 in 1999, less than the state average of \$25,173, or roughly 95 percent of the state. Average earnings per job increased 4.9 percent in 1999 – greater than the 4.1 percent gain for the state. Average earnings per job for 1999 was \$28,378 compared to \$31,307 for the state.

## **Labor Force**

The Pima County labor force grew 0.03 percent each year from 1995 to 2000. Pima County employment figures increased, however, with an average annual of 0.12 percent. This affected the unemployment rate downward from 3.3 percent in 1995 to 2.8 percent in 2000.

## **Employment**

Total nonfarm jobs in Pima County increased by an average 3 percent yearly pace from 1995-2000. The largest growth occurred in services industry, which had average yearly growth of 5.4 percent for the period. All major industry groups grew since 1995 with the exception of mining and transportation, communications & public utilities (TCPU).

Services in the largest industry in Pima County, employing over 118,000 workers in 2000. Government is the second largest employer in Pima County, with 76,000 jobs, followed closely by trade, with 72,400 jobs.

## **Growing and Declining**

During the year 2000, the largest industry job growth was experienced in computer and data processing services (+3,674 jobs), miscellaneous business services (+3,546 jobs), and nursing and personal care facilities (+1,547 jobs). The largest employment losses appeared in hospitals (-1,371 jobs), metalworking machinery (-844 jobs), and copper ores (-407 jobs). For further details see the enclosed tables.

## **Forecast**

Research Administration is forecasting employment to grow nearly 1.0 percent in PY 01-02 and then accelerate to 2.0 percent in PY 02-03. Countywide unemployment is expected to increase slightly from the PY 00-01 rate of 2.9 percent to 3.1 percent in PY 01-02 and then remain unchanged at 3.1 percent in PY 02-03. Unemployment in the non-reservation areas is expected to follow the same pattern with an increase from the PY 00-01 rate of 2.8 percent to 3.0 percent in PY 01-02 and afterwards hold constant at 3.0 percent in PY 02-03.

## **Issues of Concern**

- Low wages in retail trade

Source: Arizona Department of Economic Security, Research Administration, November 2001.